

PART 90

SUPPLEMENTAL PROCEDURES

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SUBPART 90.1 - SALE, LOAN, OR GIFT OF PROPERTY

90.101 Sale, loan, or gift of certain property (10 U.S.C. 4506).

(a) The HCAs and their authorized designees are authorized to sell, give, or lend drawings, manufacturing and other information, and samples of supplies and equipment to be manufactured or furnished, to contractors and private firms which are or may likely be manufacturers and furnishers of supplies and equipment for use under approved production plans, whenever they determine that such action is necessary in the interest of national defense.

(b) Such drawings, manufacturing and other information, and samples of supplies and equipment to be manufactured or furnished shall be sold, given or loaned by appropriate written agreement, reciting the above determination (10 U.S.C. 4506).

(c) The foregoing determination and requirement for a written agreement will not be mandatory in the case of invitations for bids and requests for proposals. Drawings, specifications, and data furnished need not be returned unless otherwise directed by the contracting officer.

(1) In making the determination to request the return of such specifications, drawings, or any other data furnished, the contracting officer should take into consideration the following factors:

- (i) The current or probable future need of the Government for the items.
- (ii) The residual value of such items.
- (iii) Administrative and other expenses incident to handling and storage of such items.
- (iv) The probable cost of reproduction of such items in event of future acquisition.

(2) Classified material, as a general rule, will be required to be returned regardless of the criteria established above.

SUBPART 90.2 - TRAINING

90.201 Granting credit for course requirements fulfilled by alternate methods.

90.201-1 Scope and delegations.

These procedures apply to all acquisition work force members at DLA activities subject to the DLAD (see 1.103). The Heads of contracting activities have the authority to evaluate experience, education, or alternate training completed and to determine if it fulfills the requirements of mandatory DoD contracting courses. This authority may be delegated, without power of redelegation to those officials authorized to select, appoint, and terminate the appointment of contracting officers by 1.603-1(90).

90.201-2 Procedures and documentation.

Applications for credit by alternate methods will be made on the DD Form 2518, Fulfillment of DoD Mandatory Training Requirement, as outlined in DoD 5000.52-M. A copy

of each DD Form 2518 along with a statement of the alternate method determined to be equivalent will be forwarded to MMPPB for reporting purposes.

90.202 Waivers.

90.202-1 Definition.

A waiver is defined as exempting someone from taking a course without certifying that the person has gained knowledge from experience, formal education or other training. Fulfillment of requirements by alternate methods shall not be considered or used as a "waiver" of requirements.

90.202-2 Policy and procedures for requesting waivers.

Acquisition personnel will normally fulfill mandatory training requirements by course completion or alternate methods, therefore, waivers are discouraged. Requests for waivers will be forwarded to MMPPB for evaluation and processing.

SUBPART 90.3 - SELECTION OF CONTRACTS TO BE TERMINATED FOR CONVENIENCE IN EVENT OF UNEXPECTED DECELERATION

90.301 Policy.

Terminations for convenience will be based on individual decisions resulting from a comparison of costs for termination and excess position of items versus the need for release of obligated funds for higher priority use.

90.302 Responsibilities.

The decision to terminate a contract for the convenience of the Government is the joint responsibility of the commodity manager and the contracting officer at the cognizant DSC. In those cases where the contract resulted from a MIPR, the decision to terminate for convenience is the responsibility of the MIPR initiator; however, the contracting officer, upon request, must inform the initiator of all elements which have any bearing on the status of the contract.

90.303 Procedures.

90.303-1 General procedures.

Upon receipt of a request for a cutback in contract quantities from the cognizant commodity manager, the following information will be utilized in selecting the contract for termination:

- (a) Ascertain all current contracts for items involved.

- (i) Determine the undelivered portion of each contract.

- (ii) Consider supplies in transit (f.o.b. destination contract) as deliveries, unless the contract is delinquent and a notice to terminate for default has been sent to the contractor.

- (iii) Determine what deliveries, if any, are delinquent.

(iv) Determine whether the delinquency is excusable or inexcusable.

(v) Contract quantities scheduled for direct delivery to users are not subject to termination action unless specifically so designated.

(b) If delinquency is considered inexcusable, terminate for default where appropriate.

(c) Where termination for default is not appropriate or where additional quantities remain to be cut back after termination for default, proceed in the selection of contracts to be terminated for convenience.

(1) First choice should be where contractors are agreeable to total or partial termination (voluntary or no cost settlement).

(2) Consider the following factors.

(i) Contracts involving contractors' commercial item.

(ii) Contracts awarded as rated orders.

(iii) Contracts for mandatory acquisition.

(iv) Contracts most recently awarded and those providing for longest production lead time where production has not progressed to an appreciable degree.

(v) Contracts awarded at the highest price and work down pricewise.

(vi) Partial termination of all contracts where two or more contractors are involved in lieu of total termination of a few.

(d) The dollar amount of potential settlement claims should be estimated with the assistance of DCMC. Consider:

(1) Unit price of undelivered items.

(2) Raw material on hand and/or on order.

(3) Components on hand or on order.

(4) Work in process.

(5) Unamortized start up costs.

(6) Percentage of completion.

(7) Current commercial value and saleability of the item involved.

(8) Disposal actions required, taking into consideration recoupment through sales of items to be disposed.

90.303-2 Operation procedures.

(a) The Supply function or the MIPR initiator will advise the Contracting function to cancel an item by quantities and consignee. The Supply function or the MIPR initiator will be required to indicate all open purchase requests and/or contracts when requesting

information upon which to base a termination decision or when requesting cancellation by item and consignee.

(b) Contracting and Production, using procedures in 90.303, will determine what portion of each open contract should be terminated.

(c) If the Contracting function's decision indicates that the Supply function's original request should be revised, the decision will be coordinated with the Supply function. The final authority for deciding whether or not to terminate, when substantial claims are involved, is the Center Commander.

(d) Upon completion of above actions, the Contracting function will issue the termination notice with a copy to DCMC for termination settlement action.

SUBPART 90.4 - RECOVERY AND UTILIZATION OF PRECIOUS METALS (SILVER, GOLD, PLATINUM, PALLADIUM, RHODIUM, IRIIDIUM) FROM SCRAP MATERIALS

90.401 General.

DoD has assigned DLA the mission to reclaim precious metals from precious metal bearing scrap and waste materials, and to make available reclaimed precious metals as Government-furnished property in acquisition of items containing precious metals. This section implements DoD Directive 4160.22, Recovery and Utilization of Precious Metals, (as revised) which establishes DoD policy governing the management of the recovery and the use of precious metals derived from precious metal bearing scrap and waste materials generated by all elements of DoD worldwide. DLA is assigned the responsibility for managing the overall program and has designated the DRMS, Battle Creek, Michigan, as the activity charged with the responsibility for managing the retrieval and refining of precious metals. Defense Industrial Supply Center (DISC) has been assigned the supply management function for precious metals.

90.402 Policy.

(a) All DLA elements generating precious metal bearing scrap and waste materials shall establish and monitor an internal program to assure the economical reclamation of precious metals, consistent with the overall DoD policy of effecting maximum use of excess property to meet DoD needs.

(b) Recovered precious metals, after refinement, will be made available to DoD elements for their use as Government-furnished property to reduce new acquisition costs.

90.403 Responsibilities.

Commanders of each DLA field activity are responsible for the following:

(a) Reporting precious metal bearing scrap and waste materials to the DRMS Manager for disposition and shipment to destination upon notification by the DRMS Manager.

(b) Using the refined precious metals maintained in storage by the DISC Precious Metals Inventory Manager, as GFP, whenever feasible, for contracts requiring precious metals bearing materials.

90.404 Procedures.

(a) Prior to soliciting offers for awards of contracts requiring precious metals, contact the DISC Precious Metals Inventory Manager, **DISC-Y**, indicating the item, quantity, and grade of precious metal required for the acquisition. The precious metals are identified as follows:

NSN	Nomenclature	Unit of Issue
9660-00-042-7768	Platinum granules.....	Troy ounce.
9660-00-151-4050	Platinum sponge.....	Troy ounce.
9660-00-042-7733	Gold bullion/granules.....	Troy ounce.
9660-00-042-7765	Palladium granulations.....	Troy ounce.
9660-01-039-0320	Palladium sponge.....	Troy ounce.
9660-00-106-9432	Silver bullion/granules.....	Troy ounce.
9660-01-010-2625	Rhodium.....	Troy ounce.
9660-01-011-1937	Iridium sponge.....	Troy ounce.
9660-01-039-0313	Ruthenium sponge.....	Troy ounce.

If the required amount is available, forward a letter or TWX to **DISC-Y**, requesting that the required quantity be reserved to cover the acquisition including the estimated delivery schedule.

(b) When a contract is awarded, a Military Standard Requisitioning and Issue Procedure (MILSTRIP) requisition is to be submitted to **DISC-Y**. The requisition must cite full Troy ounces (partial ounces shall be rounded off to the nearest whole ounce). Exception data are to be cited. The exception data are: the exact "ship to" address (the Department of Defense Activity Address Directory (DoDAAD) sometimes cites post office boxes or is not always accurate); the contract number on which the precious metals are committed for use (this is necessary for control and audit purposes); the end item application, the NSN, the part number, or any other identifying data which is necessary in order that the precious metal may be recovered from the item when it reaches the end of its life cycle; and a contact point with phone number at the requisitioning activity (this is required in case it is necessary to resolve any problems).

(c) Transportation charges are included in the unit price. Transportation is usually accomplished by premium method (armored van); therefore, multiple requisitions to the same destination should be consolidated whenever possible. Delivery normally will be accomplished within 3 weeks after receipt of the requisition by the DISC Inventory Manager.

SUBPART 90.5 - CONTRACT REVIEW PROCEDURES

90.501 Checklists.

The following contract review checklists have been developed for use as guides by DLA contracting officers and buyers in their individual contract reviews. The checklists may be modified to suit the needs of the contracting activity. Standard DLA-wide forms are not prescribed in order to permit development of local checklists.

(a) Contract review checklist - supplies/services.

CONTRACTOR: _____
 CONTRACT NO.: _____ DOLLAR VALUE: \$ _____
 BRIEF DESCRIPTION OF SUPPLIES OR SERVICES
 QUANTITY UNIT PRICE EXTENSION

\$

\$

1. Does the Center/Activity have the authority to purchase this item? (DFARS 208.70) YES NO N/A

TAB NO. 1 PR/MIPR

2. In file? (53.201-92(b)(3)(i))

3. Are amendments approved by appropriate authority and are they attached? (53.201-92(b)(3)(i))

4. Option quantity included? (FAR 17.202)

TAB NO. 2 SPECIFICATION/DRAWING

5. Is the purchase description prepared in accordance with FAR 11.000?

TAB NO. 3 ACQUISITION PLAN/AMENDMENTS (FAR/DFARS/DLAD 7.1)

6. Is information sufficient to support proposed method of acquisition (Sealed Bid - Competitive Proposals)? (FAR 6.401)

7. Was the acquisition plan approved at a level above the buyer in accordance with DLAD 7.102(91)?

8. Were market surveys and market research performed in accordance with DLAD 7.102(90)?

9. If required, was a formal source selection plan prepared in accordance with 15.612(c)?

10. Is required delivery schedule realistic? (FAR 11.401(a))

11. If option proposed, authorized/appropriate? (FAR 17.202)

TAB NO. 4 JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION:

12. Was contracting without providing for full and open competition justified? (FAR 6.303-1)

TAB NO. 5 DETERMINATION & FINDINGS

13. Was a justification for use of option prepared? (FAR 17.205(a))

14. If option is not to be evaluated, was a determination approved at a level above the contracting officer? (FAR 17.206(b))

15. If for full and open competition after exclusion of sources, was a D&F prepared? (FAR 6.202(b)(1))

TAB NO. 6 NONPERSONAL SERVICES DETERMINATION

16. If nonpersonal services involved, was determination issued? (53.201-92(b)(3)(iv))

TAB NO. 7 DOL WAGE DETERMINATION

17. Was a wage determination requested? YES NO N/A
(DLAD 53.201-92 (b)(3)(v))

18. If wage determination obtained, is it current or does file contain documentation authorizing extension?

TAB NO. 8 SMALL BUSINESS SET-ASIDE DETERMINATION

19. Does information provided support the determination? (FAR 19.501(c)/DLAD 53.201-92(b)(3)(vi))

20. Is withdrawal/modification of the initial set-aside determination explained? (FAR 19.506(c))

TAB NO. 9 BUY AMERICAN ACT

21. If applicable, has a nonavailability determination been prepared and approved pursuant to DFARS 225.102/DLAD 25.102?

TAB NO. 11 SOURCE LIST

22. List includes those initially solicited and those added as a result of requests, with dates for the latter? (53.201-92(b)(3)(vii))

23. Is the list excessively long? (FAR 14.205-4(a))

24. Is list annotated as to "no bids" received? (FAR/DLAD 14.205-2)

TAB NO. 12 PRESOLICITATION NOTICE

25. Should preinvitation notice (FAR 14.205-4(c)) or presolicitation notice (FAR 15.404(a)) have been used?

26. If used, does presolicitation notice conform to FAR 15.404(b)(2)?

TAB NO. 13 SYNOPSIS

27. Copy of transmittal in file?

28. In proper format? (FAR 5.207/DFARS 205.207)

29. No synopsis; justification adequate? (FAR 5.202)

30. Was adequate time allowed? (FAR 5.203)

TAB NO.14 SOLICITATION & AMENDMENTS

31. Was solicitation issued in a timely manner?

32. Do solicitation provisions reflect PR/MIPR requirements?

33. If oral solicitation, does file contain justification for its use? (FAR 15.402(f))

34. Bidding time/RFP response time adequate? (FAR 5.203 and 14.202-1)

35. Format in accordance with FAR 14.201-1(IFB) or 15.406-1(RFP)?

36. Were amendments sent to all originally solicited? (FAR 14.208/15.410/15.606)

37. Were amendments properly dated? YES NO N/A
(DLAD 53.201-92 (b)(3)(viii))

38. Are solicitation clauses and provisions current/complete? (FAR 14.201-6/15.406-3)

39. Does solicitation include evaluation factors? (15.612-90(a)/15.406-5(c))

TAB NO. 18 ABSTRACT OF OFFERS

40. Abstract of bids/proposals: (FAR 14.403)

(1) Signed and dated?

(2) All bids/offers entered properly?

(3) Exceptions noted? (53.201-92(b)(4)(i))

TAB NO. 19 PACKAGING/TRANSPORTATION/FREIGHT RATE DATA

41. Packaging/transportation/freight rate data obtained and determined to be adequate? (53.201-92(b)(4)(ii))

TAB NO. 20 COST/PRICING DATA

42. Were cost or pricing data requested in the solicitation? (FAR 15.804-6(a))

43. When cost or pricing data are required, has the contracting officer obtained the Certificate of Current Cost or Pricing Data? (FAR 15.804-4(a))

44. Was SF 1448 submitted when cost or pricing data

are not required but the contracting officer has requested information to help establish price reasonableness or cost realism? (FAR 15.804-6(b)(2))

45. If cost or pricing data submitted, is it in file?

46. If cost or pricing data were required, has the contracting officer indicated the extent to which he/she has relied on the data and recognized as inaccurate, incomplete or non-current any cost or pricing data submitted? (FAR 15.808(a)(5))

47. If cost or pricing data were or were not requested, does the file provide the exception used and basis for it? (FAR 15.808(a)(6))

TAB NO. 21 AUDIT REPORT/WAIVER/FIELD PRICING REPORT

48. Was field pricing support obtained (DCAA audit; DCAS pricing/technical report)? (DFARS 215.805-5(A))

49. If not, was waiver executed? (DFARS 215.805-5(B))

50. Was independent price analysis performed by the cost/price analysis element? (15.805-1(b)(90)(1) and (2))

TAB NO. 22 PRICE/COST ANALYSIS

51. If sole bid received, is the file documented to reflect actions taken and rationale used to determine the reasonableness of prices? (14.408-2(90))

52. Was weighted guidelines analysis prepared? (FAR 15.903(b)/ DFARS 215.903(b))

53. If prior contracts were used in the price analysis, were the price reasonableness determinations of those contracts stated? (FAR 15.805-2(b))

YES	NO	N/A
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54. Were realistic negotiation objectives established? (15.807(b)(92)(3))

TAB NO. 23 PRENEGOTIATION BRIEFING MEMO

55. Was prenegotiation briefing presented to appropriate authority prior to negotiations? (15.807(b)(91))

56. Does prenegotiation briefing memorandum clearly establish basis for negotiating position?

57. Does it include all of the required elements? (15.807(b)(92))

58. Was basis for decision to negotiate, or decision to accept the initial offer without discussion,

documented? (FAR 15.402(d) and FAR 15.610(a)) and
DLAD 15.807(b)(92)(4)

59. Is prenegotiation briefing memorandum signed
and dated?

60. Was a comparative schedule (spread sheet) prepared
as required by 15.807(b)(92)(4)?

61. If negotiation objectives were changed or exceeded,
was prenegotiation briefing authority notified?
(15.807(b)(94)

TAB NO. 24 PRICE NEGOTIATION MEMO

62. Were negotiations conducted on an individual cost
element basis?

63. Was option quantity considered in negotiations?
(DLAD 15.804(a)(1)(i)(B))

64. Was rent-free use of Government property considered
in the negotiations? (ASPM page 8-30)

65. Was authority obtained for rent-free use from
cognizant administrative contracting officer?

66. Was appropriate contract type selected?
(ASPM page 8-30)

67. Was common cutoff date for negotiations established
with all offerors? (FAR 15.611(b)(3))

68. Does price negotiation memorandum (PNM) format conform
with FAR 15.808(a)/DFARS 215.808(a)/DLAD 15.808(a))?

69. Does the PNM clearly and conclusively support price
reasonableness determination? (DLAD 15.808(a))

70. Is statement of same included in the PNM?
(DLAD 15.808(a))

71. Is the PNM signed and dated?

TAB NO. 25 CERTIFICATE OF COST OR PRICING DATA YES NO N/A

72. Was certificate of current cost or pricing data
obtained? (FAR 15.804-4)

73. Were option requirements included?

TAB NO. 27 PREAWARD SURVEY/WAIVER

74. Was preaward survey conducted or a document executed by the contracting officer to not request PAS? (FAR 9.106 and DLAD 9.106-1)

TAB NO. 28 EEO CLEARANCE

75. If the preaward survey report recommendation is not followed, has the case been reviewed and concurred in by the Chief of the Contracting Office? (DLAD 9.105-2(b))

76. If \$1 million or more, was the equal employment opportunity clearance report obtained? (FAR 22.805(a))

TAB NO. 29 BID/OFFER EVALUATION

77. Was evaluation conducted in accordance with solicitation criteria? (FAR 15.608(a))

78. Was price considered where technical evaluation is required? (FAR 15.605(b))

TAB NO. 30 CAS COVERAGE

79. Is this a CAS-covered contract? (FAR 30.201-1)

80. If a Disclosure Statement is required, did the contractor:

- (1) Submit same?
- (2) Execute a certificate of monetary exemption?
- (3) Execute certificate of interim exemption?
- (4) Execute a certificate of previously submitted disclosure statement?

TAB NO. 34 UNSUCCESSFUL BIDS/PROPOSALS

81. Nonresponsive determinations reviewed and concurred? (FAR 9.105-2)

82. Nonresponsibility determination in file? (FAR 9.105-2(a))

83. Unsuccessful bids/proposals included in the file?

84. Were unsuccessful bidders/offerors notified promptly? (DLAD 14.409-1(b)/FAR 15.1001)

85. If small business determined to be nonresponsible, was a certificate of competency obtained? If not, why not? (FAR 19.6)

TAB NO. 35 MISTAKE IN BID/PROPOSAL

86. Does the file contain the administrative

determination required by FAR 14.407-3(e)/DFARS 214.407-3(e)?

TAB NO.	36 DETERMINATION OF LATE BID/PROPOSAL	YES	NO	N/A
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TAB NO. 37 CONTRACT ANNOUNCEMENT

TAB NO. 38 INDIVIDUAL CONTRACT ACTION REPORT

TAB NO. 39 LOCAL CONTRACT REVIEW COMMENTS

SECTION C - OTHER SUPPORT DATA

93. If a plan was not obtained, was a determination made that subcontracting possibilities do not exist? (FAR 19.705-2(c))

95. Should this item be referred to the Competition Advocate?

97. If a warranty provision contemplated, were the criteria of FAR 46.7 considered?

99. Were negotiations conducted with all responsible offerors within a competitive range? (FAR 15.609)

101. Were acknowledgments of changed requirements confirmed in writing by offerors? (FAR 14.303 and 15.411)

102. Were proposals marked with the date and time of receipt? (FAR 15.411(a))

103. Were requirements revalidated per DLAD 1.693?

TAB NO. 43 AWARD/CONTRACT AND CORRESPONDENCE

104. Was proper award document utilized (SF 26 - SF 33 - SF 1449)? (FAR 15.414)

105. Does contract agree in all respects with contractor's bid/proposal?

106. If single signature document, does it reflect contractor's letter/message amendments? YES NO N/A

107. Is arithmetic correct? (Extensions and totals)

108. Is contract being awarded within bid/proposal acceptance period? (FAR 14.408-1(a)/52.215-16(e))

109. Adequately funded? (FAR 32.702)

REMARKS: _____

(b) Contract review checklist - construction.

CONTRACTOR _____ DOLLAR VALUE\$ _____
CONTRACT NUMBER _____ PROJECT _____
LOCATION _____

1. Does the contract meet the criteria for a construction contract? YES NO N/A contract? (FAR 36.102)

2. Have funds been approved under provisions of the annual Military Construction Appropriation Act? Is any other funding source appropriate?

3. Were sealed bidding procedures used? (FAR 36.103(a))

4. Were specifications prepared in accordance with FAR Part 11? (FAR 36.202)

5. Was an Independent Government Estimate prepared?

a. Was it prepared in as much detail as though the Government were competing for award? (FAR 36.203(a))

b. Was it marked FOUO prior to bid opening and was

it filed with the other bids? Was the FOUO designation removed after bid opening? (DFARS 236.203(c))

c. Was the Government estimate recorded on the Abstract of Bids?

6. Did the advance notice and/or solicitation indicate the estimated price range of the procurement? (FAR 36.204)

7. Was a liquidated damages clause included in the contract? (DFARS 236.206)

8. Is a firm fixed-price contract anticipated? (FAR 36.207)

9. Were appropriate arrangements made for prospective offerors to inspect the work site and to have the opportunity to examine data? Was a record kept of the identities and affiliations of those who inspected the work site? Did the solicitation contain a site inspection provision?

10. Was a presolicitation notice issued? (FAR 36.302)

11. Was the presolicitation notice synopsisized? (FAR 5.204)

12. Was a wage determination issued? Did the specifications include same? (FAR 36.303(c)(1))

13. Was SF 308, Request for Determination and Response to Request, used to request an installation or individual wage determination?	YES	NO	N/A
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14. Are modifications to the DOL determination time-date stamped?

15. If an amendment to the wage rate was issued, were procedures for amending the solicitation followed?

16. Was adequate time allowed between issuing and opening the solicitation? (FAR 36.303(a))

17. Did the solicitation contain all the information required by FAR 36.303(c)(1) through (10)?

(a) wage determination

(b) clause at FAR 52.236-1, Performance of Work by the Contractor

(c) magnitude of the construction

(d) period of performance

- (e) site inspection arrangements
 - (f) information concerning facilities
 - (g) information concerning prebid conference
 - (h) special qualification or experience
 - (i) reporting requirements
18. Were the clauses prescribed by FAR 36.501 through 36.521, and DFARS 236.570 included, as appropriate?
19. Did the solicitation specify the requirement for bonds, the penal sum for each bond, and the deadlines for submitting acceptable bonds? (FAR 28.102-2 and 28.102-3)
20. Was an adequate bid bond submitted with the bid?
21. Are the bid bonds signed by an agent of an approved corporate surety listed in the Treasury circular?
22. Was the original of the bonds submitted with the bid?
23. Are the penal amounts of performance and payment bonds correct? (FAR 28.102-2(a)(1) and (b)(1))
24. Were bid bonds and performance and payment bonds considered in the determination of responsibility?
25. Were performance evaluation reports used in making the determination of responsibility? (DFARS 236.201(c)(2))
26. If prequalification was used, was the approval of the HCA obtained? (DFARS 236.272)
27. If more than one item is subject to statutory cost limitation, is a separate schedule provided. Is the bid unbalanced? (FAR 36.205)
28. Does the notice of award include the information prescribed by FAR 36.304?
- YES NO N/A
- a. Identify the invitation for bids.
 - b. Identify the contractor's bid.
 - c. State the award price.
 - d. Advise contractor that required payment and performance bonds must be promptly executed and returned to the contracting office.
 - e. Specify the date of commencement of work,

or advise that a notice to proceed will be issued.

29. Are the prescribed forms for construction contracts used? (FAR 53.236-1) (See also FAR 53.301-24, 53.301-25, and 53.301-25-A)

a. SF 1417, Pre-Solicitation Notice (Construction Contract)

b. SF 1442, Solicitation, Offer and Award (Construction, Alteration, or Repair)

30. If period of performance is more than one month, are progress payments authorized?

31. Was the clause at DFARS 252.232-7005 included for progress payments? (DFARS 232.102)

32. Is a construction warranty clause approved for usage? (FAR 46.710(e)(1))

33. Does the small or small disadvantaged business concern meet the size standards of FAR 19.102?

34. Is the required insurance clause in the contract? (FAR 28.3, 52.228-5)

35. Are specific affirmative action goals for the geographical area established? If not known, have instructions been requested from MMP/AQC? (FAR 22.804)

36. Has all Government-furnished property been described in detail in the schedule?

37. Has the solicitation been totally set-aside for small business and appropriate clauses included for procurements estimated below \$2 million? (DFARS 219.502-2)

38. Have the potential offerors been allowed enough time to submit bids? (i.e., 30 days minimum, or a justification to reduce the bidding time made by the contracting officer) (FAR 14.202-1)

39. If funds are contingent upon the availability of another fiscal year funding, does the solicitation contain the proper clauses pertaining to the Funds Availability? (FAR 32.705-1(a))

40. Has a qualified COR/COTR been assigned?

SUBPART 90.6 - GUIDANCE FOR CONTRACTING OFFICERS'
REPRESENTATIVES
AND CONTRACTING OFFICERS' TECHNICAL REPRESENTATIVES

90.601 General.

This subpart provides Defense Logistics Agency (DLA) Contracting Officers' Representatives (CORs) and Contracting Officers' Technical Representatives (COTRs) a reference on many of the factors that surround their duties. Included are definitions of key terms, a brief summary of the environment in which the COR/COTR works, responsibilities of each of the participants in the acquisition process, and other information to assist CORs/COTRs in accomplishing their duties successfully. It is important for all to understand that this is only a guide. Recommendations on improving Subpart 90.6 may be provided to MMPOA.

90.601-1 Reserved.

90.601-2 Acquisition process in DLA.

The acquisition process in DLA consists of four phases: The requirements determination phase, the specifications/statement of work (SOW) phase, the contracting phase, and the contract administration phase. A brief narrative on these four phases follows. The length of time it takes to complete a project from beginning to end depends on the complexity of the project. In some instances a project can take several years.

(a) Requirements Determination Phase. The requirements determination phase begins with identification of a minimum need. In this phase, boundaries for the project, milestones, and source selection procedures are established. If necessary, the acquisition planning team is formed during this phase to oversee the project. The acquisition planning team normally consists of customer and technical personnel, budget personnel, and a representative from contracting. Soon after this team is formed and funding is provided, the specifications/SOW phase begins.

(b) Specifications/SOW Phase. The second phase is the development of the description of needs. During this phase members of the acquisition planning team draft specifications, purchase descriptions or other similar descriptions, and/or a statement of work. Technical evaluation factors are developed and milestones are updated during this period prior to moving forward to the third phase, contracting.

(c) Contracting Phase. The contracting phase includes preparation of the solicitation, evaluation of offers, contract negotiation (if applicable), and award of the contract.

(d) Contract Administration Phase. This phase begins with award of the contract and includes: delivery of supplies, and/or completion of performance of services; and partial, progress, and final payments to the contractor; all administrative actions; and contract closeout denoting the end of the phase.

90.601-3 The contract.

A Government contract is a document containing the rights and responsibilities of both the Government and the contractor. For ease of reference, most Department of Defense (DoD) contracts are structured as follows:

Section Title

Part I The Schedule

A	Solicitation/contract form
B	Supplies or services and prices
C	Description/specifications
D	Packaging and marking
E	Inspection and acceptance
F	Deliveries or performance
G	Contract administration data
H	Special contract requirements

Part II - Contract Clauses

I Contract clauses

Part III - List of Documents, Exhibits, and Other Attachments

J List of documents, exhibits, and other attachments

Part IV - Representations and Instructions

K Representations, certifications, and other statements of bidders (or offerors)

L Instructions, conditions, and notices to bidders (or offerors)

M Evaluation factors for award

90.602 Specific information concerning CORs and COTRs.

90.602-1 Reserved.

90.602-2 Definitions.

(a) Contracting Officer's Representative (COR). The individual designated in writing by the contracting officer to act as the contracting officer's authorized representative to monitor specific aspects of the contract and take action as authorized in the letter of appointment. The COR, when one is appointed, acts as the point of contact between the contracting officer and the COTR assigned to the contract. COR responsibilities and limitations are established by the contracting officer.

(b) Contracting Officer's Technical Representative (COTR). The individual designated by the contracting officer to act as the contracting officer's authorized representative for technical aspects of the contract. The COTR reports to and assists the COR, when one is appointed, in providing technical oversight of the contractor's performance. COTR responsibilities and limitations are established by the contracting officer. In the event that a COR is not designated and only a COTR is appointed, the COTR shall report directly to the contracting officer.

90.602-3 Designation of the COR/COTR.

(a) The contracting officer may select and designate any Government employee, military or civilian, to act as the contracting officer's authorized representative as a COR/COTR on a contract subject to the authority and limitations outlined in the letter of appointment. In selecting an individual as an authorized representative, the contracting officer shall ensure that the individual possesses qualifications and experience commensurate with the authority which the COR/COTR will exercise.

(1) A computer based training (CBT) course, developed by the DLA Civilian Personnel Support Office (DCPSO), is available to provide the training required by DLAD 1.603-92. The COR/COTR CBT course offers students self-placed training via their personal computer, along with supplementary written reference materials, and is recommended for all employees prior to appointment as a COR/COTR.

(2) The CBT course will be maintained by MMPOA. Points of contact (POCs) will also be established at all primary level field activities (PFLAs). The local POCs will also serve as a liaison between MMPOA, the contracting officers and students. Questions regarding the CBT course, feedback and review in accordance with the CBT course implementation plan, and identification of local POCs may be directed to MMPOA at DSN 427-1367, or commercial (703) 767-1367.

(b) A COR/COTR shall be designated by name and position title. In accordance with 1.603-91(a) each designation of a COR/COTR shall be in writing and shall clearly define the scope and limitations of authority. The extent of the authority and limitations of the COR/COTR for each individual contract is determined by the letter of appointment from the contracting officer. Changes in the scope and limitation of authority may be made either by issuing a new designation or by amending the existing designation. When one COR/COTR is appointed for more than one contract, separate designations shall be issued for each contract. A copy of each appointment letter shall be forwarded to the applicable payment office(s) when the COR/COTR is authorized to certify invoices for payment. This copy shall be annotated with the COR/COTR's address and telephone number if this information is not readily apparent in the letter.

(c) A designation of a COR/COTR shall remain in effect through the life of the contract unless revoked by the contracting officer, the contracting officer's successor, or in the event of reassignment of the individual designated.

(d) The contracting officer shall be notified immediately in writing, by the COR's/COTR/s immediate supervisor, if the individual appointed as COR/COTR is transferred, reassigned, will be absent for an extended period, or is otherwise unable to fulfill the responsibilities of the position.

90.602-4 Responsibilities of the COR.

(a) Planning. The individual rights and obligations of both the contractor and the Government should be clearly established by the contract terms. Often the action of one party to the contract affects the other party; therefore, planning is necessary before performance begins to integrate the actions of both parties. For example, if the contract specifies that property or services are to be supplied by the Government, the COR must ensure delivery of such Government-furnished property or services. The Government's responsibility for other actions such as the approval of plans, comments on draft reports, performance of tests and evaluation, and provision of technical information to the contractor requires the Government to share in the responsibility for contract completion. The Government must be responsive and act in a responsible manner. Delays or omissions by Government personnel in performing reviews, giving approvals or

disapprovals, or furnishing required information may entitle the contractor to an equitable adjustment as provided for in the contract.

(b) General Responsibilities. Responsibilities of the COR vary with the type of contract and complexity of the acquisition. For a contract of any complexity, the COR has many duties, including: monitoring of progress and performance by the contractor, controlling of Government property and facilities, where necessary, recommending contract modifications and terminations, certifying receipt of supplies/services, and accomplishing other tasks required by the contract or the contracting officer. In fulfilling the responsibilities, the contracting officer shall require the COR to:

(1) Read and maintain a copy of the contract provided by the contracting officer together with contract modifications which may be issued;

(2) Become thoroughly familiar with the terms and conditions of the contract to assure compliance with the provisions contained therein; and

(3) Promptly inform the contracting officer of any delay in the progress of work or any problem encountered that may require a contract modification or other administrative action.

(c) Specific Responsibilities. Each contract must be treated on an individual basis, because it may place responsibilities on the COR unique to that contract. Specific responsibilities that CORs perform on nearly every contract are addressed below, but no list could be all-inclusive. CORs should note specific responsibilities outlined in the COR/COTR letters of appointment and pay particular attention to limitations on their authority.

(d) Monitor Technical Compliance. The COR must ensure that the contractor complies with all technical requirements of the contract, including the submission of required reports or other documentation. In this function the COR shall:

(1) Notify the contracting officer of potential or actual performance problems and recommend remedial action. If verbal notification is given to the contractor, the COR shall follow this up in writing to the contracting officer. COTRs have a corresponding duty to inform CORs.

(2) Assist in meeting the Government's contractual obligations to the contractor. This includes, but is not limited to, arranging to supply Government-furnished equipment, facilities, and services called for in the contract and providing timely Government comment on, or inspection/acceptance of, draft/final contract deliverables if required by the contracting officer or contract. Section E of the contract provides information on inspections and acceptance. In the case of purchase orders, the body of the order contains this information.

(3) Report any instance of suspected conflict of interest or fraud, waste, and abuse to the local Office of General Counsel that supports the contracting officer.

(4) Inform the contracting officer in writing of any needed change in the scope of work in the contract so that a modification may be issued, as appropriate.

(5) Report all unacceptable deliverables. If the work is deemed unsatisfactory, the COR shall report all deficiencies in writing to the contracting officer who will determine what further actions are required.

(6) Report all acceptable deliverables. The COR shall provide written notification to the contracting officer when the contractual requirements have been fulfilled and are technically acceptable. The evaluation of contractor performance may be documented on either a DD Form 250, a letter of acceptance, or the verification of receipt on a commercial invoice. The verification of receipt on the invoice or on the DD Form 250 is the most common form of documenting acceptance. These documents also serve as instruments in making payment. The disbursing office (the office that pays the contractor) will be identified in the contract. A copy of the contract and records of any payment made on the contract will be on file at that disbursing office. Although contractors send invoices directly to the disbursing office, the disbursing office will not make payment without the signature of an individual authorized to certify that the invoice is proper. It is the COR's responsibility to certify that the services/supplies have been received and are acceptable.

(7) Provide technical interpretation of the requirements. As previously discussed, the COR must have a thorough understanding of the requirements of the contract. It may become necessary to provide technical interpretation to the contractor for some portion of the work. The COR is encouraged to call upon other technical personnel to assist COTRs for this purpose. Where there is no appointed COTR, the COR is authorized to provide the assistance to the contractor on technical matters within the scope of the contract. Any technical assistance given to the contractor by the COR/COTR should be documented in the contract file. For significant matters, the information should be provided to the contractor in writing. The COR shall notify the contracting officer immediately whenever the contractor disagrees with or refuses to comply with any technical aspects of the contract as interpreted by the COR. The contracting officer shall provide final resolution in cases of disagreement between the COR/COTR and the contractor.

(8) Request deobligation of excess funds. A contracting officer who is not located at the place of performance may not be aware of contingencies which develop during the life of the contract and may require the deobligation of funds. The COR who is certifying receipt of supplies/services can compare expenditures with funds obligated on the contract. The procedure for requesting the deobligation of funds is to notify the contracting officer by letter that there are excess funds on the contract. Funds can be deobligated from a contract only by a contract modification signed by the contracting officer. The modification will inform the Comptroller that money has been deobligated and, therefore, can be decommitted.

90.602-5 Responsibilities of the COTR.

(a) General Responsibilities. The general responsibilities of the COR and COTR are similar, but the COTR reports to the COR, and the COR reports to the contracting officer, when appointed. The COTR's function is to act as the technical advisor to the COR when appointed. When a COR is not appointed, the COTR reports directly to the contracting officer.

(1) Assure that the COR has an understanding of individual responsibilities and working arrangements. Such discussions are necessary immediately after appointment and are appropriate at any time during the period of contract performance;

(2) Arrange a schedule with the COR to monitor contractual requirements. The contracting officer must be promptly informed of delays in progress of work and of any

problem encountered that may require a contract modification or other administrative action;

(3) Become knowledgeable of the duties and functions of the COR; and

(4) Inform the COR of any disagreements with the contractor regarding technical interpretation of the contract.

(b) Specific Responsibilities. The specific responsibilities of the COTR will vary with each contract. COTRs should become familiar with all responsibilities outlined in the COTR letter of appointment and with the limitations on their authority. If authorized by the contracting officer, it is the COR's responsibility to determine when the work is complete and conforms with the technical requirements of the contract. However, the COTR will often be delegated this responsibility when technical expertise is needed. The COTR is not authorized to execute DD Form 250 or any other formal written acceptance unless the COTR has been specifically designated the authority to do so in writing. The COTR may be required to assist the COR with inspections or evaluations required by the contract.

90.602-6 Limitations on the authority of the COR/COTR.

(a) The authority vested in a COR/COTR is subject to the following limitations: The COR/COTR is not empowered to sign any contract, including delivery orders, purchase orders, or communication service authorizations (CSAs), or to modify a contract, or in any way obligate payment of funds by the Government. The CORs/COTRs may not take any action which may have an impact on contract or delivery order schedules, funds, or scope of work. All contractual agreements, commitments or modifications which involve prices, quantities, quality, or delivery schedules shall be made only by the contracting officer.

(b) While the COR/COTR limitations can be simply stated, assuring that the COR/COTR does not exceed the authority granted is much more complex. In the course of performing COR/COTR responsibilities, situations may result in an implied change to the contract which, in turn, may impact the delivery schedule, funds, or other areas outside the authority of the COR/COTR. These examples illustrate that the COR/COTR may exceed the scope of their authority by inaction or improper action. Two examples illustrate this point.

(1) Example 1: A user calls a COR and states that there is an insufficient number of copies of documentation delivered by the contractor. Certainly, it is within the realm of the COR's authority to advise the contractor that the required number of deliverables were not shipped/received. The COR notifies the contractor that additional copies must be provided to satisfy contractual requirements. The contractor delivers the quantity of documentation in accordance with the COR's instructions and submits an invoice for extra copies of the documentation. It is then discovered that the contractor had originally delivered the number of copies required by the contract. The COR's failure to review the contract prior to requesting additional copies has caused the COR to proceed beyond the authorized limitations and created a situation in which the Government may have to pay for the additional goods through ratification of the COR's unauthorized act. Further, the COR could incur a personal liability even though the COR may not have taken action which could be binding on the Government.

(2) Example 2: An individual is designated as COR on a contract for the installation of equipment. The equipment is scheduled for delivery the next month. The COR sets up a COR file and places the file in the filing cabinet after noting the scheduled

installation date on the calendar. The installation day arrives, and the contractor, as promised, arrives with the equipment. However, it cannot be installed because the COR did not insure that the Government had done its part by installing an electrical outlet and raised floors. By inaction, the COR has allowed a potential claim to be made for Government-caused delay. In summary, the COR/COTR is not authorized to:

- (i) Alter the contract in any way, either directly or by implication;
- (ii) Issue instructions to the contractor to start or stop work. Only the contracting officer may do this;
- (iii) Order or accept goods or services not expressly required by the contract;
- (iv) Render a decision under the Disputes clause;
- (v) Authorize delivery or disposition of Government property not authorized by the contract; and
- (vi) Discuss acquisition plans or provide any advance information that might give one contractor an advantage over another contractor in forthcoming procurements.

90.603 COR/COTR files.

90.603-1 Contents of the COR/COTR files.

(a) The COR/COTR is required to document all actions taken in regard to the contract. To the extent that contractual documents and correspondence do not explain all actions taken, suitable records must be prepared promptly and placed in the official COR/COTR file. The importance of maintaining complete and orderly files cannot be overemphasized, and it is critical to transfer of responsibility if the COR/COTR is changed during the term of the contract.

(b) As a matter of practice, the COR holding discussions or conducting business with contractors shall prepare Memoranda for Record (MFRs) of meetings, trips, and telephone conversations relating to the contract. Each MFR, other similar records, and correspondence relating to the contract shall cite the contract number. A copy of all actions or correspondence shall be furnished to the contracting officer and all other interested parties having a need to know. Documents that may contain contractor proprietary data or other business-sensitive information should not be released outside the Government without approval of the contracting officer.

(c) Duplicate copies of file documents shall be destroyed as soon as they have served their purpose, but in no event shall such documents be retained for longer than 1 year after acceptance of the final deliverable under the contract.

(d) Records pertinent to unsettled claims for or against the United States, open investigations, cases under litigation, or similar matters shall be preserved until final clearance or settlement of the matters even though retention of these records may exceed a period longer than 6 years and 3 months after final payment.

(e) CORs shall forward any correspondence received from the contractor to the contracting officer.

90.603-2 Required documents.

The following documents are required for the effective performance of COR/COTR functions and to establish the official COR/COTR file. Both the COR and COTR keep separate files of their own.

- (a) Contract and modifications thereto;
- (b) COR/COTR letter of appointment and any correspondence from the contracting officer which amends the letter of appointment;
- (c) For CORs, the names of technical and administrative personnel (e.g., COTRs);
- (d) Statement indicating that the COR/COTR has read and understands DLAD 5500.1, Standards of Conduct;
- (e) Records of COR/COTR inspections and all receiving and acceptance documents;
- (f) Correspondence to and from the contracting officer and the contractor;
- (g) Memoranda of phone conversations, meetings, and discussions relating to the contract;
- (h) Progress reports;
- (i) Inspection and evaluation reports; and
- (j) Any other document pertaining to the contract.

90.603-3 Disposition of completed COR/COTR files.

Since the COR/COTR is an authorized representative of the contracting officer, the COR's/COTR's records are a part of the official postaward contract files and shall be forwarded to the contracting officer for retirement with the official contract file upon completion of the contract. Documents which pertain to the contract shall be clearly identified when forwarded to the contracting officer.

SUBPART 90.7 - DAR CASE FORMAT

90.700 Scope of subpart. This subpart prescribes a uniform structure for all cases, to include deviations, submitted to the DAR Council for formal consideration.

90.701 Purpose. The case format serves two important functions. First, the prescribed structure for presenting the proposed case provides a very useful and clear exposition of the issues to assist the DAR Council in considering cases in a timely and efficient manner. By clearly setting out how the current regulations are perceived to be inadequate and the specific changes that will remedy the described situation, the case structure minimizes misunderstandings and helps avoid the delay that necessarily results when additional information or clarification is required from the party initiating a case. Second, the mandatory minimal information is necessary to comply with various Federal statutes, Executive Orders, or higher level regulations that require those who propose rules, either initially or by way of revision to existing regulations, to analyze and attempt to mitigate the burdens which the proposed rules may place on the public in general, and small businesses in particular. The case format appropriately places initial responsibility for identifying and considering those burdens on the party

proposing that the FAR or DFARS be amended. For these reasons, cases that do not follow the prescribed format will be returned with appropriate guidance to the initiator.

90.702 Case format. Every DAR case recommending an amendment to the FAR or the DFARS will consist of at least two parts: The statement of the case, and the two essential attachments discussed at 90.703-2. The initiator should provide any additional attachments or other documents which would be helpful to a more complete understanding of the issues.

90.703 Case statement. The statement of the case shall be in the form of a memorandum, without signature block, to the Director, DAR Council; be in the format of: I. Problem; II. Recommendation; and III. Discussion, and be forwarded via a cover letter signed by the chief of the contracting office to HQ DLA, ATTN: MMPP.

90.703-1 Problem section. The Problem section should succinctly discuss an existing problem in the procurement process. A simple statement that some part of the FAR or DFARS should be changed, however, is not an adequate description of a problem upon which the DAR Council will act. As the foundation for every DAR case, the statement of the problem should convey as accurately and completely as possible the factual or legal reasons necessitating regulatory revision.

90.703-2 Recommendation section. The Recommendation section consists of two elements: Citation of the specific language to be added, deleted, or revised in the FAR or DFARS (TAB A of the DAR case memorandum), and citation of certain documentation responsive to four collateral requirements mandated by Federal statutes, Executive Orders, and higher level regulations (TAB B of the DAR case memorandum). TAB A shall set forth as much of the pertinent section or paragraph of the FAR or the DFARS as is necessary to show the desired change in context. The language to be added should be enclosed in brackets and any deletions should be shown as lined through. TAB B shall contain the elements described as collateral requirements. (See DLA-PPR letter, 23 Jun 87, Subject: DAR Case Preparation Guidance, Enclosure 2.)

90.703-3 Discussion section. The Discussion section should provide any background information, including prior DAR cases that are relevant to the current issues, which will assist the DAR Council in understanding the problem. This section should also demonstrate clearly how the recommended revisions to the FAR or DFARS will solve the problem identified. While the discussion should be succinct and to the point, if the initiator believes the recommendations may have side effects or disadvantages that are pertinent to the DAR Council's consideration, these should be addressed. Though the FAR and DFARS iterates the policy not "...to stifle the development of new techniques or methods of procurement," cases should not be proposed which cannot be justified in terms of administrative effort or expenditure of Government resources. Accordingly, the Discussion section of the case shall include a justification that considers the full operations of the regulatory process, including HQ DLA review, committee analysis, DAR Council analysis, CAA Council analysis, publication for comment and review of comments, and other applicable steps.

90.704 Deviations. To encourage desirable innovation in procurement methods and techniques, the DFARS authorizes the DAR Council to grant deviations for particular classes of procurements. For those class deviations which are not intended to be permanent changes to the FAR or DFARS or DLAD, the DAR Council needs neither the specific regulatory revisions (TAB A) nor the documentation (TAB B) required when proposing a new or amended regulation (see 90.703-2). Nevertheless, class deviations are DAR cases and must be in the form of a memorandum, without signature block, to the

Director, DAR Council; shall contain Problem, Recommendation, and Discussion sections that adequately demonstrate a need for, and establish the time duration of, the deviation (see 90.703), and be forwarded to HQ DLA, ATTN: MMPPP, via a cover letter signed by the chief of the contracting office. In addition, DFARS 201.402(3) prescribes certain specific types of information which must be supplied in support of any requested deviation. Deviations approved by the DAR Council must be unanimous. Deviation requests should, therefore, be written as persuasively and in as much detail as possible. Initiators should address the regulation as it is currently written and specify what needs to be changed to institute or to continue their required practices; describe the peculiarities of their situation that make the deviation necessary; what alternatives have been tried or considered to avoid the deviation; and why the deviation is the best choice. In the case of extension requests, either propose a permanent change or describe efforts made to alleviate the need for the deviation.

SUBPART 90.8 - UNDEFINITIZED CONTRACTUAL ACTIONS REPORT

90.801 Reporting requirements.

Each DLA activity authorized to place contracts shall submit a semiannual report of usage, if any, of undefinitized contractual actions (UCAs). Negative reports are required. Such term includes issuance of undefinitized delivery orders (UDOs) with Federal Prison Industries (8.604-90), unpriced purchase orders (UPOs) (13.502), letter contracts (LCs) (16.603), UDOs under BOAs (16.703), undefinitized options (UOs) (17.2), undefinitized provisioned item orders (UPIOs) (17.76), undefinitized change orders (UCOs) (43.201), and any other contractual or purchase action where the contract price is not established at time of award. The report shall be forwarded to HQ DLA, ATTN: MMPPP, within 15 days following the end of each reporting period (31 March and 30 September). The prescribed format for reporting UCA activity (RCS DLA(Q)2524(AQ)) is shown at 90.802.

90.802 Report format:

UCA		UCAs AWARDED/EXERCISED		UCA	
BEGINNING BALANCE*		DURING PERIOD*		ENDING BALANCE	
NO.	\$ OBLIGATED	NO.	\$ OBLIGATED	NO.	\$ OBLIGATED
LCs					
UPOs					
UDOs					
UOs					
UPIOs					
UCOs					
Other	_____		_____		_____
Totals	\$ _____		\$ _____		\$ _____

* For any UCA which is cancelled/terminated prior to definitization, identify type award, award date, amount that was included in the award/beginning balance column, and cancellation/termination date.

** If different from ending balance on previous report, provide corrected prior report.

*** Include an attachment showing contractor name, contract PIIN number (and SPIIN where applicable), type UCA, dollar value of award, award date, office to definitize UCA, and scheduled definitization date.

SUBPART 90.9 - UPDATING SMALL DISADVANTAGED
BUSINESS STATUS
AND WOMEN-OWNED BUSINESS STATUS IN THE DD 350

90.901 Reporting requirement.

When entering the DD Form 350 CAGE Code, if either the small disadvantaged business status or the women-owned business status in the DLA Contract Action Reporting System (DCARS) is incorrect, the DCARS CAGE file must be updated before the DD Form 350 can be entered. A completed report format (see 90.902) shall be submitted by mail or facsimile transmission to HQ DLA, ATTN: MMPOA. Use of the format is mandatory; variations will be accepted on a case-by-case basis if submitted with a complete justification for the variance. Submissions may be typed or legibly handscripted. All submissions require the signature of the activity Small and Disadvantaged Business Utilization Specialist (SADBUS). Within two working days after the DCARS update is processed, a DD Form 2051, Request for Assignment of a Commercial and Government Entity (CAGE) Code, shall be submitted to the Defense Logistics Services Center (DLSC-FEB).

90.902 Report format.

TO: DEFENSE LOGISTICS AGENCY
ATTN: MMPOA
8725 JOHN J. KINGMAN ROAD
FT. BELVOIR, VA 22060-6221

DATE:

FROM:

REQUEST THE FOLLOWING CHANGE(S)/ADDITION(S) BE MADE TO THE MMPOA CAGE FILE:

CHANGE_____		ADDITION_____	
DISADV N OR L	WOMEN N OR L	MANUFACTURER'S NAME & ADDRESS	CAGE CODE
_____	_____	_____	_____

_____	_____	_____	_____

_____	_____	_____	_____
_____		_____	
_____		_____	
_____	_____	_____	_____

N = NO L = YES CHANGE = AN EXISTING CAGE RECORD IS TO BE CHANGED AS INDICATED ADDITION = CAGE RECORD IS NOT YET ON THE DLA FILE AS IT WAS RECENTLY ASSIGNED BY DLSC IN RESPONSE TO AN EMERGENCY REQUEST (USED RARELY)

ACTION OFFICE REPRESENTATIVE SIGNATURE_____

ACTIVITY SMALL BUSINESS SPECIALIST SIGNATURE_____

THIS FORM MUST BE RECEIVED IN MMPOA PRIOR TO FILE UPDATES.

SUBPART 90.10 - ADMINISTRATION OF DLAD

90.1001 Administration and explanation.

The administration and explanation of the DLAD is the responsibility of the Executive Director, Procurement **Management**, HQ DLA, MMP.

SUBPART 90.11 - ACQUISITION PLANNING

90.1101 Contents of written acquisition plans. (See corresponding paragraphs of FAR 7.105.)

(a) Acquisition background and objectives.

(1) Statement of need. The statement of need shall include:

(i) The nomenclature, a brief nontechnical description, and general statement of use or purpose the acquisition is intended to satisfy.

(ii) Identification of requiring activity.

(iii) A statement as to whether or not the supplies are stocked.

The technical and contractual history shall include:

(i) A description of efforts to:

(A) Facilitate the use of commercial items (e.g., removing unnecessarily restrictive features of requirements documents).

(B) Obtain/acquire/develop a complete technical data package free of proprietary rights suitable for full and open competition; or

(C) Have restrictive features of specifications removed; or

(D) Develop a clear, unambiguous statement of work.

(ii) Contract performance history for the same or similar supplies or services, e.g., name(s) of contractors(s), type of contracts, dollar value, degree of competition, acquisition authority, award date, unit price, contractor size status, contractor performance history (including delivery and quality performance) and significant problems encountered (customer complaints, nature of protests or Congressional inquiries).

(iii) Discussion of previous APEC reviews.

(3) Cost. Provide the estimated dollar value of the acquisition, the quantity proposed to be acquired, and the anticipated unit price.

(5) Delivery or performance-period requirements. Provide estimates of production lead times. Describe whether supplies or services are required by specified times to support other supplies, services, systems, or program requirements. Describe management considerations of the supplies, as appropriate, e.g., depot capabilities, stock rotational requirements, and shelf life. Describe production surveillance reporting requirements.

(b) Plan of action.

(1) Sources. Discuss the nature, extent, and results of the market survey and any market research performed or requested in support of the acquisition strategy developed (see also FAR **Part 10** and **state whether the acquisition will be conducted under FAR Part 12**).

(2) Competition.

(i) Discuss alternative supplies, services, systems or programs which could be acquired using full and open competition if use of full and open competition is not planned. If appropriate, discuss the tradeoffs of use of such substitutes in terms of price differences, quality, and acquisition and production lead time. Discuss alternative acquisition strategies which have been considered or could be used to provide for increased competition.

(90) Describe the Activity Competition Advocate's (see FAR 6.5) actions to date relative to the supplies/services proposed to be acquired including: description of efforts to have restrictive aspects of specifications, technical data, or statements of work revised/deleted; a summary of discussions with the Military Departments, or other requiring activity, and industry relative to alternatives to increase competition. Discuss feasibility of use of full and open competition with exclusion of a source to establish an alternative source or sources (FAR 6.202(a)).

(91) Describe strategies for developing/achieving competition for current and future acquisitions.

(92) Identify sources to be solicited. Discuss efforts/plans for developing or locating additional sources, including discussions with industry, trade associations, use of presolicitation notices, and advance notices in the Commerce Business Daily.

(93) Include the Activity Competition Advocate's comments on the plan.

(4) Contracting considerations. Discuss applicability of socioeconomic requirements, e.g., small business and labor surplus area set-asides, 8(a), and minority-owned business, and results of discussions with Small and Disadvantaged Business Utilization representatives. Discuss any pertinent foreign purchase/sales matters. Discuss applicability of progress payments, economic price adjustments, bid guarantees, or performance bonds.

(5) Budgeting and funding. Describe the type of funds, stock funds or operations and maintenance funds, which are proposed to be used for the acquisition.

(6) **Requirements documents.** Discuss the basis for the decision to use **the requirements document(s) being used for this acquisition**. Provide a copy of the **requirements document(s)** to be used. Discuss commercial equivalency. If interim **requirements documents** descriptions are proposed, provide estimated completion date and any pertinent industry comments to date. Discuss previous problems with **requirements document(s)** and efforts made to resolve those problems. Explain the nature of patents, copyrights, or proprietary data. Identify plans to acquire rights to data.

(12) Test and evaluation. Describe requirements for use of, or plans to use, qualified products lists, qualified manufacturers lists, or other qualification requirements (see FAR Subpart 9.2). Provide the number of products/sources on such lists. Describe plans for qualifying additional products/sources. Discuss methods to be used to determine quality/compliance with requirements, e.g., first article test requirements, production test, in-process surveillance, inspection and acceptance criteria, or any other special test requirement. Discuss alternatives to the above and criteria for waiving same. Describe production surveillance and any production progress reporting requirements. Describe any requirements for certification, licensing, or approval by Government control agencies. Discuss any use of Certificate of Conformance or Certificate of Quality Compliance.

(13) Logistics considerations.

(90) Describe phaseout and disposition plans for any current or due-in stocks for supplies being replaced.

(91) Include projected annual requirements, stock levels planned, feasible alternatives to those levels, and acquisition cycle. Describe mobilization requirements, if applicable. (See Subpart 17.93)

(14) Government-furnished property. Discuss the rationale for use of any Government-furnished material (GFM).

(18) Other considerations. Provide requirements necessary to maintain a mobilization base, if applicable. (See Subpart 17.93) Discuss the plan for identifying/establishing industrial preparedness planned producers and obtaining industrial preparedness agreements. Discuss any environmental considerations. Include DLA Form 1664, Record of Determination - Environmental Evaluation, to indicate whether an environmental document is required in accordance with DLAD 1000.22, Environmental Considerations in DLA Actions in the United States. Contracting actions involving significant quantities of toxic and hazardous chemicals, pesticides, radioactive items, fossil fuels, or animal products made from endangered species are not categorically excluded under DLAD 1000.22 and require preparation and submission of an environmental document to accompany the acquisition plan.

(19) Depot, ICP, DCMC, and Military Service Component Impact Statement. As part of acquisition plans, attach copies of Depot, DLA ICP, DCMC, and Military Service component impact statement(s) which address the downstream effects of implementing prime vendor arrangements, direct vendor delivery, vendor managed inventory or any other strategy that affects depots traditional functions, or workload/resources at DLA ICPs, DCMC organizations, or Military Service components.

(1) If possible, this effect should be quantified in terms of the number of NSNs that will no longer be processed by the depots, the amount of storage space that will become available for other uses, and the timeframe over which these items will no longer be shipped to depots (show number of NSNs for each time period). The decision to convert to DVD should be explained as being economically sound for the ICP/Agency (including quantitative justification), or required as a performance objective of the acquisition and resultant contract, (e.g., because the customers delivery requirements dictate DVD support), or as contributing to Agency success in achieving goals set by Congress, OSD, or other policy-making entities.

(2) Additionally, acquisition plans should list any FSCs or NSNs included in the proposed contracting instrument that are assigned for management by an ICP other than the one executing the contract, and provide documentation that the other DLA Center(s) is aware of the proposed contract coverage, timetable, and inventory drawdown. An explanation of the reasons for including the NSNs in the proposed contract should be provided (i.e., natural/traditional fit within the industry, allows total logistics support to a particular customer, etc.). Plans should also address whether Center resource managers and union representatives have been apprised of any potential workforce implications. Acquisition plans should address/include plans for accommodating any potential workforce impact (e.g., retraining).

(3) Plans should include an assessment of potential impact to DCMC workload and identify the milestone date by which DCMC will be apprised of this potential impact (e.g., no need for QARs where there was previous need, no DD250s to be processed for acceptance, etc.). This date should allow DCMC sufficient time to plan for any resource impact.

(4) Plans should include an assessment of potential impact to Military Service component(s) and verification that the Service has been apprised of this potential impact.

90.1102 An illustrative acquisition plan format is provided as follows:

ACQUISITION PLAN

PR/MIPR Number:.....Date Received:.....Buyer:.....

Item Description:.....Delivery Schedule:.....

Quantity:.....Est. Unit Price:.....Est. Total Price:.....

Supply Criticality (Priority):.....

Purchase History

Date	Quantity	Unit Price	Method of Acquisition		Competitive Offers	
------	----------	------------	-----------------------	--	--------------------	--

_____	_____	_____	Sealed Bid_____	Neg_____	No._____	\$Range_____
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Considerations

		100%	Partial	None		Partial	None
Set-Aside:	Small	Labor
	Business				Surplus		

Small Disadvantaged
Business

Quantity/Period Option: (% or period) Price Escalation: _____ %

Progress Payments: prior buys (Y or N) current buy (Y or N)

First Article Test: _____

	<u>SF Form 1411</u>	<u>Request for Exception</u>	<u>Not Required</u>
Cost/Pricing			Open
Data: Contracts:.....
Warranty:YesNo		GFP Involved:YesNo

Proposed Method of Acquisition

a. Sealed Bid

b. Negotiation Written Oral.....

Rationale for Not Using Sealed Bidding:

/ / Time does not permit solicitation, submission, and evaluation of sealed bids.

/ / Award will be made on a basis of other than price and other price-related factors alone.

/ / It is necessary to conduct discussions with offerors about their offers.

/ / A reasonable expectation of receiving more than one sealed bid does not exist.

Type contract/order contemplated. _____ If fixed-price with economic price
adjustment, specify EPA clause number/title _____
and (if applicable) index source, number, and name
_____.

Market Survey Results

Discuss nature and results of market survey: _____

Market Research

Discuss purpose, nature, extent, involved personnel/offices and results/status and
estimated completion date of any market research initiated/to be initiated in support of
the instant purchase request or anticipated future requirements (see also FAR and DLAD
10.001 and 11.004):

Provision for Competition

a. Complete, unrestrictive technical data package to be included or referenced in the solicitation. _____ Yes _____ No

b. Full and Open Competition.....

c. Full and Open Competition After Exclusion of Sources

d. Other than Full and Open Competition 10 U.S.C.2304(c).....

(Except for acquisitions conducted under category c. above, when the response to a. is "No," the acquisition is other than full and open competition and a justification for other than full and open competition is normally required (see FAR Subpart 6.3). No justification is required for small business set-asides (see 6.203(b)(90)).

Schedule:

Date:.....

Issue Solicitation

Open/Close

Solicitation Evaluate/Review

Award

Remarks:

Signature Buyer: Date:

Signature Approving Official:..... Date:

SUBPART 90.12 - POSTAWARD PRICE REVIEWS

90.1201 Simplified acquisition price review program.

(a) Defense Supply Centers shall perform a monthly postaward price analysis of 60 line items from separate awards, selected from the total universe of the previous month's central simplified acquisitions (excluding purchases by secondary and tertiary field activities). The review shall be performed by the DSC Cost and Price Analysis Element. The purpose of this program is to identify significant and/or repetitive overpricing and to take corrective action as may be required including feedback on contracting deficiencies noted during the reviews. When an unreasonable price is indicated, appropriate action to resolve the overpricing shall be taken, including action pursuant to Subpart 42.71, if applicable. A review of an item is to be deemed completed only when a determination has been reached that overpricing: (1) did not occur; or, (2) did occur, and a refund has been collected and processed; or, (3) did occur, but all efforts to obtain a refund were unsuccessful, and a decision has been made that no further action is warranted. Other steps, such as initiating action for competitive acquisition of previously sole source items and/or revision of specifications, shall also be accomplished as needed.

(b) A record of postaward price analysis results, including the information necessary to provide summary data contained in the following format, shall be maintained by the Cost and Price Analysis Element.

SIMPLIFIED ACQUISITION POSTAWARD PRICE REVIEW PROGRAM

Defense Supply Center_____

Report for the _____ Period FY 19 ____

I.	Review Reconciliation:	Number	
	A. Beginning Balance Reviews in Process:		
	B. Reviews Initiated During Quarter:		
	C. Reviews Completed During Quarter:		
	D. Ending Balance Reviews in Process:		
II.	Completed Reviews (from I.C. above):	Automated	Manual
	A. Number Determined Not Overpriced:		
	B. Number Determined Overpriced:		
	C. Number for Which Sufficient Price Data Could Not Be Obtained to Make a Determination:		
III.	Corrective Action (from II.B. above):	Number	Savings
	A. Price Reductions:		
	B. Refunds:		
	C. Cancellations-Repurchases:		
	D. Other (Specify, e.g., action initiated for competitive acquisition, commercial alternate found, action initiated to revise specifications.):		

SUBPART 90.13 - STREAMLINED SOLICITATIONS FOR FUELS
CONTRACTS

(DEVIATION)

90.1300 Scope of Subpart.

On 28 June 1990, the then Deputy Assistant Secretary of Defense (Procurement) approved as permanent DLAD coverage the Defense Fuel Supply Center (DFSC) deviation request to use streamlined solicitations for petroleum and coal acquisitions. Under the deviation DFSC is permitted to omit a variety of clauses and substitute tailored clauses for other clauses normally required by FAR and DFARS.

90.1301 - FAR clauses/provisions.

15.804-3(e)

FAR 15.804-3(e) requires the use of Standard Form 1412 to document exemptions from certified cost or pricing data requirements. DFSC, however, uses its own format, more suitable for submission of required sales data is applicable to the procurement. Although solicitations for domestic bulk fuel are prepared with the expectation that they will generate adequate price competition, domestic solicitations require submission of cost or pricing data to cover the possibility of inadequate competition for some locations and to assist in developing a market price. The domestic solicitation contains a clause entitled Requirements for Cost or Pricing Data and Claim for Exemption (see Attachment 1). This DFSC clause contains a DFSC Commercial Sales Data Form, a sample format which functions similarly to the Claim for Exemption from Submission of Certified Cost or Pricing Data Form (SF 1412). The form recognizes equivalency concepts that prevail in petroleum marketing. For example, the market prices for JP4 (military

aviation fuel) is determined by examining commercial sales of motor gasoline and naphtha. Overseas

solicitations do not solicit cost or pricing data because more competition is anticipated overseas, and historically, overseas suppliers have refused to supply cost or pricing data. However, for those items for which competitive offers are not received, sole offerors will be required to submit cost or pricing data. (Jul 1995)

52.215-9 Submission of Offers (DEC 1989) (subparagraphs b, c, and d)

The subject matter of subparagraphs (b) and (c) are covered in a modified version of DFSC's "Telegraphic Offers" clause. The subject matter of subparagraph (d) relating to samples is not applicable to petroleum, petroleum related services or coal.

52.219-13 Utilization of Women-Owned Small Businesses. (AUG 1986)

The clause is not necessary to the acquisition of petroleum, petroleum-related services or coal because both subcontracting opportunities and the existence of woman-owned business in these commodities are minimal. DFSC has retained the certification clause to document those businesses that are women-owned.

52.222-28 Equal Opportunity Preaward Clearance of Subcontracts
(APR 1984)

52.244-1 and Alt. I Subcontracts (Fixed Price Contracts) (APR 1991)

These clauses are not applicable to petroleum, petroleum-related services or coal because contracts are fixed price or fixed price with economic price adjustment and unpriced modifications are not issued.

52.227-1 Authorization and Consent (APR 1984)

52.227-2 Notice and Assistance Regarding Patent and Copyright
Infringement (APR 1984)

These clauses are not necessary to the acquisition of petroleum, petroleum-related services, or coal because patent considerations are not involved.

52.229-3 Federal, State, and Local Taxes (JAN 1991)

52.229-4 Federal, State, and Local Taxes (Noncompetitive Contract)
(JAN 1991)

52.229-5 Taxes - Contracts Performed in U.S. Possessions or Puerto Rico.
(APR 1984)

A substitute DFSC clause was developed to simplify, consolidate and tailor the FAR clauses to petroleum, petroleum related services, and coal. The FAR clauses only address after imposed/after relieved Federal taxes and do not address such circumstances for state and local taxes applicable to DFSC procurement. The FAR clauses also require contract prices inclusive of all applicable Federal, State and local taxes. This is not acceptable to DFSC since some taxes at all levels are excluded from certain fuel products under Government use criteria in the Internal Revenue codes.

52.247-1 Commercial Bill of Lading Notations (APR 1984)

This clause is not necessary because the Government does not require prepayment of freight charges on petroleum or coal shipments.

52.247-54 Diversion of Shipment under F.O.B. Destination Contracts (MAR 1989)

This clause is not necessary to the acquisition of petroleum because this area is covered in other DFSC transportation clauses. The portions of this clause covering the use of paid freight bills to evidence delivery do not apply to petroleum shipments. Petroleum product deliveries are evidenced by delivery ticket copies and properly executed DD Forms 250. The portions of the clause limiting truck shipment reimbursement to 70% of the lowest published tariff is inappropriate for petroleum. Equitable adjustments for transportation are accomplished consistent with the methodology used to evaluate transportation.

ADDITIONAL CLAUSES TO BE OMITTED

- 52.214-6 Explanation to Prospective Bidders (APR 1984)
- 52.214-9 Failure to Submit Bid (APR 1984)
- 52.214-3 Amendments to Invitations for Bids (DEC 1989)
- 52.214-12 Preparation of Bids (APR 1984)
- 52.215-7 Unnecessarily Elaborate Proposals or Quotations (APR 1984)
- 52.215-8 Amendments to Solicitations (DEC 1989)
- 52.215-13 Preparation of Offers (APR 1984)
- 52.215-14 Explanation to Prospective Offerors (APR 1984)
- 52.215-15 Failure to Submit Offer (APR 1984)
- 52.227-3 Patent Indemnity (APR 1984)
- 52.246-23 Limitation of Liability (APR 1984)

These clauses are excluded from DFSC streamlined solicitations because they are superfluous to DFSC contracting or serve no useful purpose. Instructions for submitting amendments are sent with the amendments themselves. Fuel specifications require no explanation. Bid/offer preparations guidance is included in the schedule. Elaborate proposals are not a possibility. Patent and liability limitations are not applicable.

- 52.214-14 Place of Performance - Sealed Bid (APR 1985)
- 52.215-20 Place of Performance (APR 1984)

When a bidder or offeror submits a bid or offer, either the offeror tells us where the place of performance is located, or it is of no consequence. As a result, this clause serves no useful purpose in DFSC contracts.

- 52.215-17 Telegraphic Proposals (JUL 1987)

The DFSC clause is a modified version of the FAR clause

- 52.246-1 Contractor Inspection Requirements (APR 1984)

This clause was streamlined out of non-petroleum contracts only (coal and services). The subject matter in this clause is covered by other DFSC clauses.

- 52.247-29 F.O.B. Origin (Jun 1988)
- 52.247-30 F.O.B. Origin, Contractor's Facility (APR 1984)
- 52.247-31 F.O.B. Origin, Freight Allowed (JUN 1988)
- 52.247-32 F.O.B. Freight Prepaid (JUN 1988)
- 52.247-59 F.O.B. Origin - Carload and Truckload Shipments (APR 1984)

The subject matter of these clauses is contained in DFSC special transportation clauses.

52.214-5 Submission of Bids (DEC 1989)

This clause is replaced by a DFSC clause which is specifically applicable to petroleum product contracting and makes the FAR clause redundant.

52.252-1 Solicitation Provisions Incorporated by Reference (JUN 1988)

52.252-2 Clauses Incorporated by Reference (JUN 1988)

DFSC prints clauses and provisions in full text, thus rendering these two clauses unnecessary.

52.219-14 Limitations on Subcontracting (JAN 1991)

Domestic bulk petroleum requires small business manufacturers offering on set-aside requirements to refine at least 90% of the offered quantity. This is pursuant to 49 Federal Register 5037, February 9, 1984 (13 C.F.R. 121.2, fn 4 (1989)). This clause is unnecessary in domestic bulk petroleum contracts.

52.219-15 Notice of Participation by Organizations for the Handicapped
(APR 1991)

Handicapped organizations do not supply any products or services acquired by DFSC.

90.1302 - DFARS Clauses/Provisions.

252.243-7001 Pricing of Contract Modifications (DEC 1991)

The price of petroleum is based on market-conditions, not cost, thus making this clause unnecessary for DFSC.

252.247-7022 Representation of Extent of Transportation by Sea (AUG
1992)

252.247-7023 Transportation of Supplies by Sea (DEC 1991)

252.247-7024 Notification of Transportation of Supplies by Sea (DEC
1991)

These clauses are unnecessary in acquisitions for petroleum, petroleum related services, and coal. Domestic acquisitions rarely, if ever, involve supplies which have been transported from outside the United States by sea. Overseas bunkers, into-plane, and storage also do not involve ocean transportation. Nearly all shipments to overseas posts, camps, and stations take place by land; those few made by water are nearly all within foreign territorial waters and therefore subject to foreign cabotage laws, so that no U.S.-flag vessels are available. Bulk fuels shipments are rarely on other than an f.o.b. origin basis, so that ocean shipment of end items is managed by the Military Sealift Command.

90.1303 DFSC clauses/provisions

The following DFSC tailored clauses have been approved for use in the Streamlined solicitations.

52.214-9F07 Submission of Bids (DFSC) (APR 89)
 52.215-9F30 Requirements for Cost or Pricing Data and Claim for
 Exemption (DFSC) (MAR 89)
 52.215-9F34 Telegraphic Offers (DFSC) (DEC 89)
 52.229-9F02 Federal, State and Local Taxes (DFSC) (MAR 89)
 52.246-9F19 Quality Assurance Provisions (Coal) (DFSC) (MAR 90)
 52.247-9F07 Delivery Conditions for Tank Cars, Boxcars, Trucks,
 Transport Trucks, Trucks and Trailers (DFSC) (APR 86)
 52.247-9F14 Shipment and Routing (DFSC) (NOV 72)

SUBPART 90.14 - RECOUPMENT ACTIVITY REPORTING

90.1400 Sample reporting.

Illustrative recoupment activity reports are provided as follows:

15 April 1995 Report

A. FY95, 1st QTR

1. Recoupments

- a. \$ _____ nonconformances reported/records established between
 October & December 1994
- b. \$ _____ demanded/requested against this amount
- c. \$ _____ recouped against this amount

2. Express warranties

- a. \$ _____ nonconformances reported/records established between
 October & December 1994, for which the warranty period was
 still in effect
- b. \$ _____ demanded against this amount
- c. \$ _____ recouped against this amount

3. Recoupment breakdown (A1c + A2c)

- a. \$ _____ part of (A1c + A2c) covered by monetary reimbursement
- b. \$ _____ part of (A1c + A2c) covered by replacements

B. FY95, 2nd QTR

1. Recoupments

- a. \$ _____ nonconformances reported/records established between
 January & March 1995
- b. \$ _____ demanded/requested against this amount
- c. \$ _____ recouped against this amount

2. Express warranties

- a. \$ _____ nonconformances reported/records established between
 January & March 1995, for which the warranty period was
 still in effect
- b. \$ _____ demanded against this amount

- c. \$ _____ recouped against this amount
3. Recoupment breakdown (B1c + B2c)
- a. \$ _____ part of (B1c + B2c) covered by monetary reimbursement
- b. \$ _____ part of (B1c + B2c) covered by replacements

CUMULATIVE:

1. Recoupments
- a. \$ _____ nonconformances reported/records established between Oct
1994 & March 1995 (A1a + B1a)
- b. \$ _____ demanded/requested against this amount (A1b + B1b)
- c. \$ _____ recouped against this amount (A1c + B1c)
2. Express warranties
- a. \$ _____ nonconformances reported/records established between Oct
1994 & March 1995, for which the warranty period was still
in effect (A2a + B2a)
- b. \$ _____ demanded against this amount (A2b + B2b)
- c. \$ _____ recouped against this amount (A2c + B2c)
3. Recoupment breakdown (A1c + B1c + A2c + B2c)
- a. \$ _____ part of the overall total recoupment covered by monetary
reimbursement (A3a + B3a)
- b. \$ _____ part of the overall total recoupment covered by
replacements (A3b + B3b)

31 July 1995 Report

A. FY95, 1st QTR

1. Recoupments
- a. \$ _____ nonconformances reported/records established between
October & December 1994
- b. \$ _____ demanded/requested against this amount
- c. \$ _____ recouped against this amount
2. Express warranties
- a. \$ _____ nonconformances reported/records established between
October & December 1994, for which the warranty period was
still in effect
- b. \$ _____ demanded against this amount
- c. \$ _____ recouped against this amount
3. Recoupment breakdown (A1c + A2c)
- a. \$ _____ part of (A1c + A2c) covered by monetary reimbursement
- b. \$ _____ part of (A1c + A2c) covered by replacements

B. FY95, 2nd QTR

1. Recoupments

- a. \$ _____ nonconformances reported/records established between
January & March 1995
- b. \$ _____ demanded/requested against this amount
- c. \$ _____ recouped against this amount

2. Express warranties

- a. \$ _____ nonconformances reported/records established between
January & March 1995, for which the warranty period was
still in effect
- b. \$ _____ demanded against this amount
- c. \$ _____ recouped against this amount

3. Recoupment breakdown (B1c + B2c)

- a. \$ _____ part of (B1c + B2c) covered by monetary reimbursement
- b. \$ _____ part of (B1c + B2c) covered by replacements

C. FY95, 3rd QTR

1. Recoupments

- a. \$ _____ nonconformances reported/records established between April
& June 1995
- b. \$ _____ demanded/requested against this amount
- c. \$ _____ recouped against this amount

2. Express warranties

- a. \$ _____ nonconformances reported/records established between April
& June 1995, for which the warranty period was still in
effect
- b. \$ _____ demanded against this amount
- c. \$ _____ recouped against this amount

3. Recoupment breakdown (C1c + C2c)

- a. \$ _____ part of (C1c + C2c) covered by monetary reimbursement
- b. \$ _____ part of (C1c + C2c) covered by replacements

CUMULATIVE:

1. Recoupments

- a. \$ _____ nonconformances reported/records established between
Oct 1994 & June 1995 (A1a + B1a + C1a)
- b. \$ _____ demanded/requested against this amount (A1b + B1b + C1b)
- c. \$ _____ recouped against this amount (A1c + B1c + C1c)

2. Express warranties

- a. \$ _____ nonconformances reported/records established between Oct
1994 & June 1995, for which the warranty period was still
in effect (A2a + B2a + C2a)
 - b. \$ _____ demanded against this amount (A2b + B2b + C2b)
 - c. \$ _____ recouped against this amount (A2c + B2c + C2c)
3. Recoupment breakdown (A1c + B1c + C1c + A2c + B2c + C2c)
- a. \$ _____ part of the overall total recoupment covered by monetary
reimbursement (A3a + B3a + C3a)
 - b. \$ _____ part of the overall total recoupment covered by replacements
(A3b + B3b + C3b)

Continue in this manner according to the following schedule:

<u>Report Date</u>	<u>Period Covered</u>	<u>Number of Qtrs. (plus cumulative)</u>
31 Oct 95	Oct 94 - Sep 95	4
31 Jan 96	Oct 94 - Dec 95	5
30 Apr 96	Oct 94 - Mar 96	6
31 Jul 96	Oct 94 - Jun 96	7
31 Oct 96	Oct 94 - Sep 96	8
31 Jan 97	Oct 94 - Dec 96	9
30 Apr 97	Oct 94 - Mar 97	10
31 Jul 97	Oct 94 - Jun 97	11
31 Oct 97	Oct 94 - Sep 97	12
31 Jan 98	Jan 95 - Dec 97	12
30 Apr 98	Apr 95 - Mar 98	12

The following is how the 31 Oct 97 report, for example, would look:

31 Oct 1997 Report

A. FY95, 1st QTR

1. Recoupments

- a. \$ _____ nonconformances reported/records established between October
& December 1994
- b. \$ _____ demanded/requested against this amount
- c. \$ _____ recouped against this amount

2. Express warranties

- a. \$ _____ nonconformances reported/records established between October
& December 1994, for which the warranty period was still in
effect
- b. \$ _____ demanded against this amount
- c. \$ _____ recouped against this amount

3. Recoupment breakdown (A1c + A2c)

- a. \$ _____ part of (A1c + A2c) covered by monetary reimbursement
- b. \$ _____ part of (A1c + A2c) covered by replacements

1. Recoupments

a. \$ _____ nonconformances reported/records established between January
 & March 1995

b. \$ _____ demanded/requested against this amount

c. \$ _____ recouped against this amount

a. \$ _____ nonconformances reported/records established between January
 & March 1995, for which the warranty period was still in
 effect

b. \$ _____ demanded against this amount

c. \$ _____ recouped against this amount

a. \$ _____ part of (B1c + B2c) covered by monetary reimbursement

b. \$ _____ part of (B1c + B2c) covered by replacements

1. Recoupments

a. \$ _____ nonconformances reported/records established between April
 & June 1995

b. \$ _____ demanded/requested against this amount

c. \$ _____ recouped against this amount

a. \$ _____ nonconformances reported/records established between April
 & June 1995, for which the warranty period was still in
 effect

b. \$ _____ demanded against this amount

c. \$ _____ recouped against this amount

a. \$ _____ part of (B1c + B2c) covered by monetary reimbursement

b. \$ _____ part of (B1c + B2c) covered by replacements

E. FY96, 1st QTR (Report the same categories of information)

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*** }
    } (The asterisks represent all quarters from FY96, 2nd QTR
*** } through FY97, 3rd QTR.)

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L. FY97, 4th QTR

1. Recoupments

- a. \$ _____ nonconformances reported/records established between July &
Sep 1997
- b. \$ _____ demanded/requested against this amount
- c. \$ _____ recouped against this amount

2. Express warranties

- a. \$ _____ nonconformances reported/records established between July &
Sep 1997, for which the warranty period was still in effect
- b. \$ _____ demanded against this amount
- c. \$ _____ recouped against this amount

3. Recoupment breakdown (L1c + L2c)

- a. \$ _____ part of (L1c + L2c) covered by monetary reimbursement
- b. \$ _____ part of (L1c + L2c) covered by replacements

CUMULATIVE:

1. Recoupments

- a. \$ _____ nonconformances reported/records established between Oct
1994 & Sep 1997 (A1a + B1a + C1a + D1a + E1a + F1a +
G1a + H1a + I1a + J1a + K1a + L1a)
- b. \$ _____ demanded/requested against this amount (A1b + B1b + C1b +
D1b + E1b + F1b ... L1b)
- c. \$ _____ recouped against this amount (A1c + B1c + C1c + D1c + E1c
+ F1c ... L1c)

2. Express warranties

- a. \$ _____ nonconformances reported/records established between Oct
1994 & Sep 1997, for which the warranty period was still in
effect (A2a + B2a + C2a + D2a + E2a + F2a + G2a + H2a + I2a + J2a
+ K2a + L2a)
- b. \$ _____ demanded against this amount (A2b + B2b + C2b + D2b + E2b
+ F2b ... L2b)
- c. \$ _____ recouped against this amount (A2c + B2c + C2c + D2c + E2c
+ F2c ... L2c)

3. Recoupment breakdown (A1c + B1c + C1c + D1c + E1c + F1c + G1c + H1c + I1c + J1c + K1c
+ L1c + A2c + B2c + C2c + D2c + E2c + F2c + G2c + H2c + I2c + J2c + K2c + L2c)

- a. \$ _____ part of the overall total recoupment covered by monetary
reimbursement (A3a + B3a + C3a + D3a + E3a + F3a ... L3a)
- b. \$ _____ part of the overall total recoupment covered by replacements
(A3b + B3b + C3b + D3b + E3b + F3b ... L3b)

NOTE: Three dots (...) represent the intervening fiscal quarters,
all of which should be reported.

